

CITIZENS GUIDE COUNTY OF OTTAWA, MICHIGAN

The Citizens Guide and Performance Dashboard for the County of Ottawa is intended to provide the citizens and shareholders with a brief presentation on the finances of the County. The information in this guide represents the forecasted amounts for 2020 with explanation of assumptions, the most recent local financials for 2017, the projected amounts for 2018 and the adopted budget for 2019. The complete 2019 budget is available on the County's website at www.miottawa.org. The budget for 2019 was adopted by the Board of County Commissioners on September 25, 2018.

Operations at a Glance

The County provides many valued services to its citizens accounted for in several funds. The General Fund is the main operating fund of the County and is used to account for all revenues and expenditures applicable to general operations of the County except for those required or determined to be more appropriately accounted for in another fund. Revenue in the General Fund is primarily from property tax, intergovernmental revenues and charges for services.

The other category is compiled of twenty Special Revenue Funds, a Debt Service Fund, as well as a Capital Project Fund. The Special Revenue Funds are used to account for revenue from specific revenue sources (other than expendable trusts or major capital projects) and related expenditures which are restricted for specific purpose by administrative action or law.



Ottawa County
Where You Belong.®

Forecasting Assumptions

County of Ottawa, Michigan Projected Budget for FY 2020 General Fund

Revenues:	2019	2020	
Tax	\$ 52,739,150	\$ 55,376,108	1
Intergovernmental Revenue	8,308,468	8,308,468	2
Charges for Services	15,159,234	15,462,419	3
Fines and Forfeits	102,600	102,600	4
Interest on Investments	403,932	444,325	5
Rental	2,253,872	2,253,872	6
Licenses and Permits	385,670	385,670	7
Other Revenue	711,089	711,089	8
Transfers In	2,025,540	2,725,540	9
Total Revenue	\$ 82,089,555	\$ 85,770,090	
Expenditures:			
Salaries & Wages	\$ 25,762,096	\$ 26,277,338	10
Benefits	14,608,328	15,809,612	11
Supplies	2,990,909	3,020,818	12
Contracted Services	4,426,928	4,471,197	12
Operating Expenses	4,113,822	4,154,960	12
Maintenance & Repair	797,509	805,484	12
Utilities	1,592,780	1,608,708	12
Insurance	908,718	917,805	12
Indirect Expense	5,430,844	5,648,078	12
Contribution to Component Units	9,883,951	10,279,309	13
Debt Service	-	-	
Contingency	400,000	400,000	14
Other Financing Uses	12,966,279	13,614,593	15
Total Expenditure	\$ 83,882,164	\$ 87,007,902	
Revenue Over (Under)	\$ (1,792,609)	\$ (1,237,812)	

Assumptions for 2020

- 1.)** 5.50% increase in property values, which is approximately 4% increase in taxes
- 2.)** Insignificant increase from 2018 to 2019, no change for 2020
- 3.)** Increase based on average increase of 2% each year
- 4.)** Insignificant increase from 2018 to 2019, no change to 2020
- 5.)** Based on estimated 10% increase in interest
- 6.)** Insignificant increase from 2018 to 2019, no change for 2020
- 7.)** Insignificant increase from 2018 to 2019, no change to 2020
- 8.)** Insignificant decrease from 2018 to 2019, no change to 2020
- 9.)** Increase to cover additional expenditures for MERS from DB/DC fund balance
- 10.)** 2% increase for salaries
- 11.)** 3% Increase to Health, 18% increase in MERS, the other benefit categories are salary based & were increase based on the 2% salary increase
- 12.)** 1% increase in expenditure inflation
- 13.)** 4% increase based on tax increase
- 14.)** Based on actuals from years past
- 15.)** Average increase 5%, additional amount needed to assist with MERS funding

Most Recently Audited Financials – Fiscal Year 2017

County of Ottawa, Michigan
Most Recent Audited Financials - All Funds
Fiscal 2017

Revenues:	General Fund	Other	Total
Tax	\$ 49,484,198	\$ 6,522,472	\$ 56,006,670
Intergovernmental Revenue	8,267,220	60,392,090	68,659,310
Charges for Services	14,669,953	3,194,787	17,864,740
Fines and Forfeits	72,511	-	72,511
Interest on Investments	311,408	(4,677)	306,731
Rental	2,098,049	115,480	2,213,529
Licenses and Permits	386,060	1,007,878	1,393,938
Other Revenue	801,072	1,937,690	2,738,762
Total Revenue	\$ 76,090,471	\$ 73,165,720	\$ 149,256,191
Expenditures:			
Salaries & Wages	\$ 23,937,384	\$ 24,110,221	\$ 48,047,605
Benefits	12,962,089	12,616,613	25,578,702
Supplies	2,293,083	2,211,387	4,504,470
Contracted Services	5,571,229	31,312,294	36,883,523
Operating Expenses	3,539,109	2,944,708	6,483,817
Maintenance & Repair	542,391	483,079	1,025,470
Utilities	1,541,552	449,976	1,991,528
Insurance	817,799	767,169	1,584,968
Indirect Expense	5,222,458	2,903,427	8,125,885
Contribution to Component Units	9,732,110	150	9,732,260
Debt Service	-	5,034,476	5,034,476
Contingency	-	-	-
Capital Projects	-	6,190,534	6,190,534
Total Expenditure	66,159,202	89,024,034	155,183,236
Other Financing Sources (uses)			
Transfers from other funds	\$ 1,347,599	\$ 15,581,426	\$ 16,929,025
Transfer to other funds	(10,524,879)	(851,371)	(11,376,250)
Total Other financing sources (uses)	\$ (9,177,280)	\$ 14,730,055	\$ 5,552,775
Net Change in fund balances	\$ 753,989	\$ (1,128,259)	\$ (374,270)
Fund balance, beginning of year	\$ 25,707,684	\$ 29,814,801	\$ 55,522,485
Fund balance, end of year	\$ 26,461,673	\$ 28,686,586	\$ 55,148,259

Current Fiscal Year Projections – Fiscal Year 2018

COUNTY OF OTTAWA
Current Year Projected Financials - All Funds
Fiscal 2018

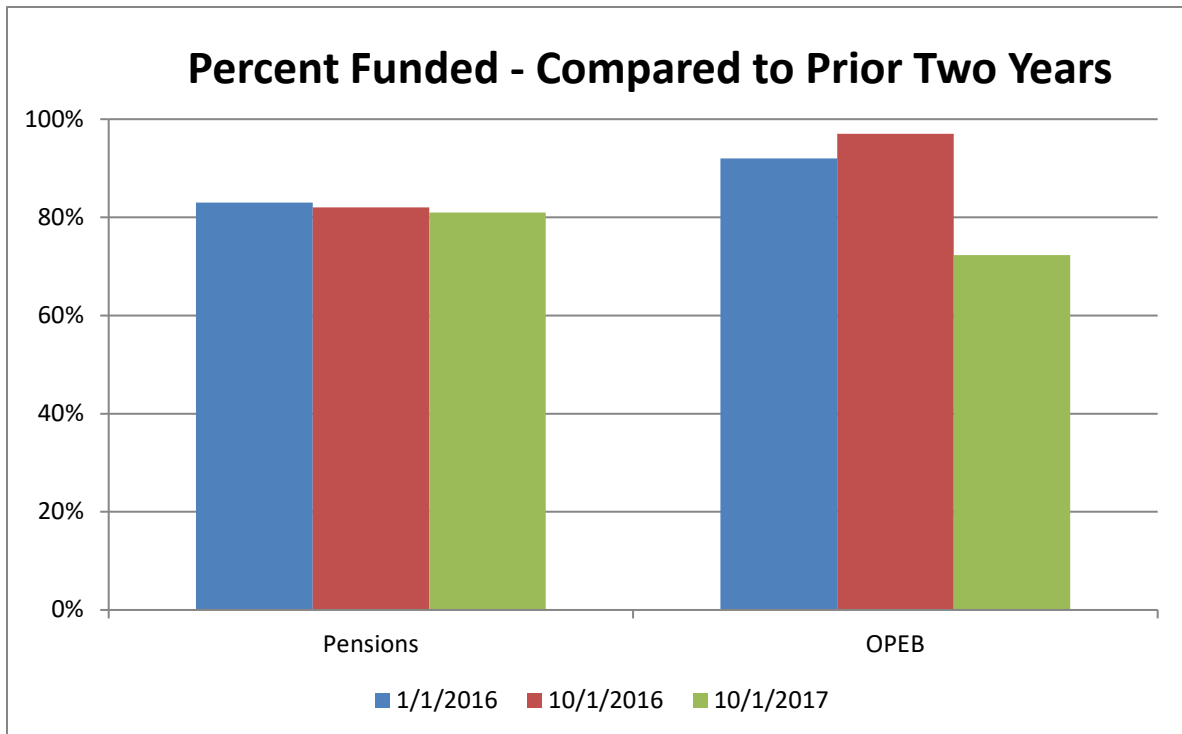
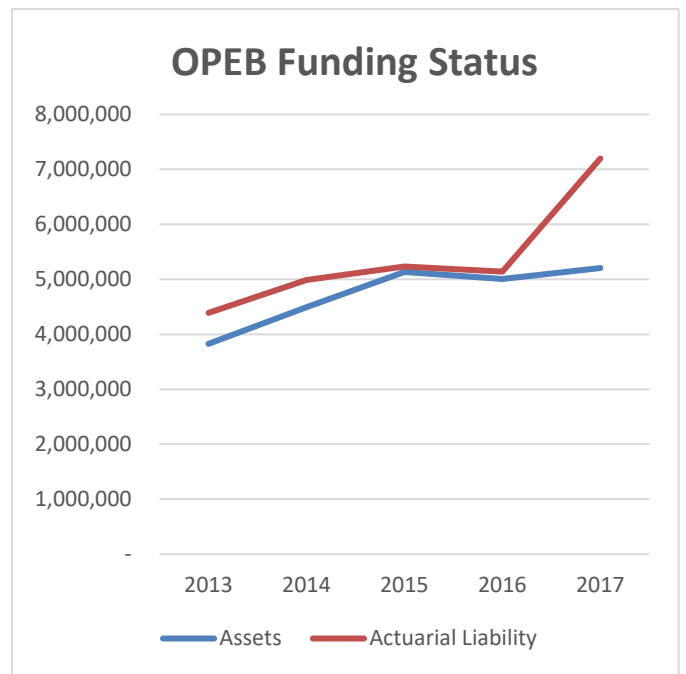
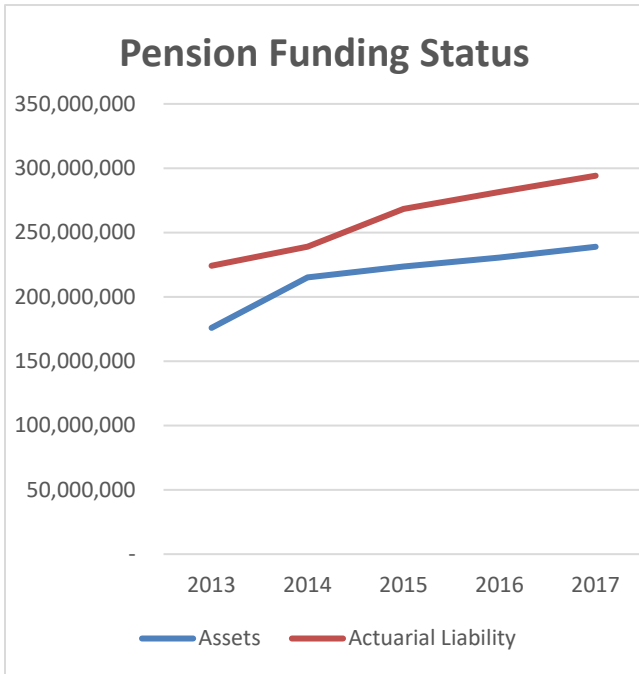
	<u>General Fund</u>	<u>Other</u>	<u>Total</u>
Revenues:			
Taxes	\$ 51,004,136	\$ 6,746,881	\$ 57,751,017
Intergovernmental Revenue	8,409,622	70,333,424	78,743,046
Charges for Services	14,392,290	2,758,234	17,150,524
Fines and Forfeits	90,600	18,575	109,175
Interest on Investments	309,400	50,220	359,620
Rental Income	2,022,271	298,674	2,320,945
Licenses and Permits	338,300	1,179,820	1,518,120
Other Revenue	765,962	5,470,117	6,236,079
Total Revenue	<u>\$ 77,332,581</u>	<u>\$ 86,855,945</u>	<u>\$ 164,188,526</u>
Expenditures:			
Salaries & Wages	\$ 24,528,177	\$ 25,747,373	\$ 50,275,550
Benefits	13,695,244	13,712,629	27,407,873
Supplies	2,730,115	2,781,532	5,511,647
Contracted Services	6,313,603	34,072,933	40,386,536
Operating Expenses	4,106,115	3,137,737	7,243,852
Maintenance & Repair	660,512	949,797	1,610,309
Utilities	1,414,758	413,761	1,828,519
Insurance	912,554	873,955	1,786,509
Indirect Expense	5,652,457	3,155,125	8,807,582
Contribution to Component Units	9,761,602	5,895	9,767,497
Debt Service	-	5,120,457	5,120,457
Contingency	154,691	-	154,691
Capital Projects	-	22,087,863	22,087,863
Total Expenditure	<u>\$ 69,929,828</u>	<u>\$ 112,059,057</u>	<u>\$ 181,988,885</u>
Other Financing Sources (uses)			
Transfers from other funds	\$ 2,653,217	\$ 20,103,520	\$ 22,756,737
Transfers to other funds	(10,814,529)	(2,397,621)	(13,212,150)
Total Other Financing Sources (uses)	<u>\$ (8,161,312)</u>	<u>\$ 17,705,899</u>	<u>\$ 9,544,587</u>
Net Change in fund balances	\$ (758,559)	\$ (7,497,213)	\$ (8,255,772)
Fund Balance, beginning of year	<u>\$ 26,461,673</u>	<u>\$ 28,686,586</u>	<u>\$ 55,148,259</u>
Projected Fund Balance, end of year	<u>\$ 25,703,114</u>	<u>\$ 21,189,373</u>	<u>\$ 46,892,487</u>

Adopted Budget – Fiscal 2019

COUNTY OF OTTAWA
Adopted Budget - All Funds
Fiscal 2019

	<u>General Fund</u>	<u>Other</u>	<u>Total</u>
Revenues:			
Taxes	\$ 52,739,150	\$ 6,952,109	\$ 59,691,259
Intergovernmental Revenue	8,308,468	66,031,341	74,339,809
Charges for Services	15,159,234	2,994,760	18,153,994
Fines and Forfeits	102,600	18,075	120,675
Interest on Investments	403,932	55,150	459,082
Rental Income	2,253,872	244,480	2,498,352
Licenses and Permits	385,670	1,309,660	1,695,330
Other Revenue	711,089	1,649,211	2,360,300
Total Revenue	<u>\$ 80,064,015</u>	<u>\$ 79,254,786</u>	<u>\$ 159,318,801</u>
Expenditures:			
Salaries & Wages	\$ 25,762,096	\$ 28,678,449	\$ 54,440,545
Benefits	14,608,328	14,211,679	28,820,007
Supplies	2,990,909	2,769,439	5,760,348
Contracted Services	4,426,928	36,205,556	40,632,484
Operating Expenses	4,113,822	3,417,687	7,531,509
Maintenance & Repair	797,509	602,719	1,400,228
Utilities	1,592,780	492,829	2,085,609
Insurance	908,718	917,647	1,826,365
Indirect Expense	5,430,844	4,067,295	9,498,139
Contribution to Component Unit:	9,883,951	-	9,883,951
Debt Service	-	4,134,877	4,134,877
Contingency	400,000		400,000
Capital Projects	-	2,216,799	2,216,799
Total Expenditure	<u>\$ 70,915,885</u>	<u>\$ 97,714,976</u>	<u>\$ 168,630,861</u>
Other Financing Sources (uses)			
Transfers from other funds	\$ 2,025,540	\$ 18,990,524	\$ 21,016,064
Transfers to other funds	(12,966,279)	(1,620,955)	(14,587,234)
Total Other Financing Sources (uses)	<u>\$ (10,940,739)</u>	<u>\$ 17,369,569</u>	<u>\$ 6,428,830</u>
Net Change in fund balances	\$ (1,792,609)	\$ (1,090,621)	\$ (2,883,230)
Fund Balance, beginning of year	<u>\$ 25,703,114</u>	<u>\$ 21,189,373</u>	<u>\$ 46,892,487</u>
Projected Fund Balance, end of year	<u>\$ 23,910,505</u>	<u>\$ 20,098,752</u>	<u>\$ 44,009,257</u>

Unfunded Liabilities



Debt Schedule

County of Ottawa
Schedule of Annual Debt Services Requirements

Budget Year	Amount Outstanding Beginning of Year	Qualified Energy Conservation 2013 Bond Issue		Pension Obligation Bonds 2014 Bond Issuance		General Obligation Bond Refunding Bonds, Series 2015		Total Requirements	Total Principal	Total Interest
		Principal	Interest	Principal	Interest	Principal	Interest			
2019	39,100,000	365,000	139,460	1,645,000	764,667	805,000	413,950	\$ 4,133,077	2,815,000	1,318,077
2020	36,285,000	365,000	125,590	1,925,000	731,365	855,000	372,450	\$ 4,374,405	3,145,000	1,229,405
2021	33,140,000	365,000	111,720	2,270,000	684,053	895,000	328,700	\$ 4,654,473	3,530,000	1,124,473
2022	29,610,000	365,000	97,850	2,705,000	620,631	940,000	282,825	\$ 5,011,306	4,010,000	1,001,306
2023	25,600,000	365,000	83,980	3,345,000	537,124	990,000	234,575	\$ 5,555,679	4,700,000	855,679
2024	20,900,000	365,000	70,110	2,810,000	446,605	1,035,000	183,950	\$ 4,910,665	4,210,000	700,665
2025	16,690,000	370,000	56,240	2,405,000	364,671	1,085,000	130,950	\$ 4,411,861	3,860,000	551,861
2026	12,830,000	370,000	42,180	2,355,000	285,555	1,135,000	75,450	\$ 4,263,185	3,860,000	403,185
2027	8,970,000	370,000	28,120	2,310,000	206,250	660,000	35,525	\$ 3,609,895	3,340,000	269,895
2028	5,630,000	370,000	14,060	2,295,000	125,670	685,000	11,988	\$ 3,501,718	3,350,000	151,718
2029	2,280,000			2,280,000	42,180			\$ 2,322,180	2,280,000	42,180
		<u>\$3,670,000</u>	<u>\$769,310</u>	<u>\$26,345,000</u>	<u>\$4,808,771</u>	<u>\$ 9,085,000</u>	<u>\$2,070,363</u>	<u>\$ 46,748,444</u>		

All figures are as of 09/30/2018

Issue Date	Issue Amount	Project	Funding Source	% of Funding Source
10/2013	5,495,000	Quality Energy Conversation	General Fund (fund 1010)	100% of payment
12/2014	29,285,000	Pension Obligation Bonds	DB/DC Conversion Fund (fund 2970)	100% of payment
12/2015	11,955,000	Refunding	Ottawa County, Michigan Insurance Authority (fund 6780)	20%, up to \$150,000/yr
			Telecommunications Fund (fund 6550)	20%, up to \$150,000/yr
			Delinquent Tax Revolving Fund (fund 5160)	20%, up to \$150,000/yr
			Infrastructure Fund (fund 2444)	17%, up to \$125,000/yr
			Capital Improvement Fund (fund 4020)	23%, remainder of